



# Covington Place

Lexington, KY 40509



Presented By:



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**Broker of Record**

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Property Overview

Local Competitors

Financial Analysis

Part 1



# Property Overview

# ★ The Opportunity

VWREA is pleased to offer Covington Place Apartments, an offering of 32 units in Lexington, KY. The unit mix consists of (1) 2-bedroom and (31) 3-bedroom apartment units.



#

32

# of units

📅

1971

year built

💰

\$4.3M

list price

## Prime Location

Covington Place Apartments is near shopping, dining, and entertainment options and just under 3 miles from University of Kentucky. Additionally, tenants benefit from easy access to I75 just 3 miles from the apartment complex.

## Key City Investments

- The recently built **Lexington Sporting Club** is within 9 miles of Covington Place
- **200-acre Legacy Business Park a milestone for Lexington economic development**, this new development broke ground in 2025, and Once complete the project is expected to bring almost 1,700 jobs to the community with a combined annual payroll estimated at nearly \$100 million.
- **Wawa's set to open next year within 4 miles** of Covington Place Apartments.



COVINGTON PLACE

# Investment highlights



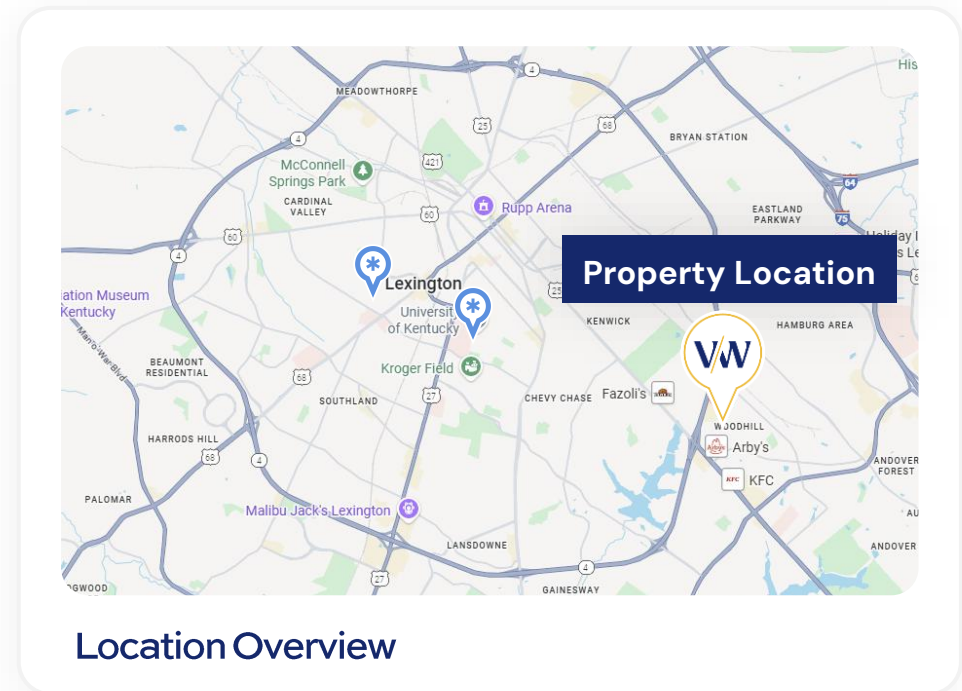
## Turn-Key Opportunity

All 32 units are well-maintained with minimal deferred maintenance, offering buyers a true turn-key investment. Investors can step directly into stable, in-place cash flow without the need for significant upfront capital expenditures.



## Prime Location: Groundbreaking of New Legacy Business Park Marks Major Milestone for Lexington Economic Development

Located near the University of Kentucky's Coldstream Research Park, the 200-acre park includes 19 lots totaling 147 acres for job-related development, as well as bike and pedestrian trails that connect to the city's Legacy Trail, and extensive greenspaces. The Legacy Business Park is a testament to the power of partnerships between public and private sector leaders. "Legacy Business Park is the result of unprecedented collaboration among the University of Kentucky, the business community and government," – Bob Quick, President and CEO of Commerce Lexington.



Location Overview

**\$1,183** /unit

Average Rent



**+\$107** /month

Average Rent Increase

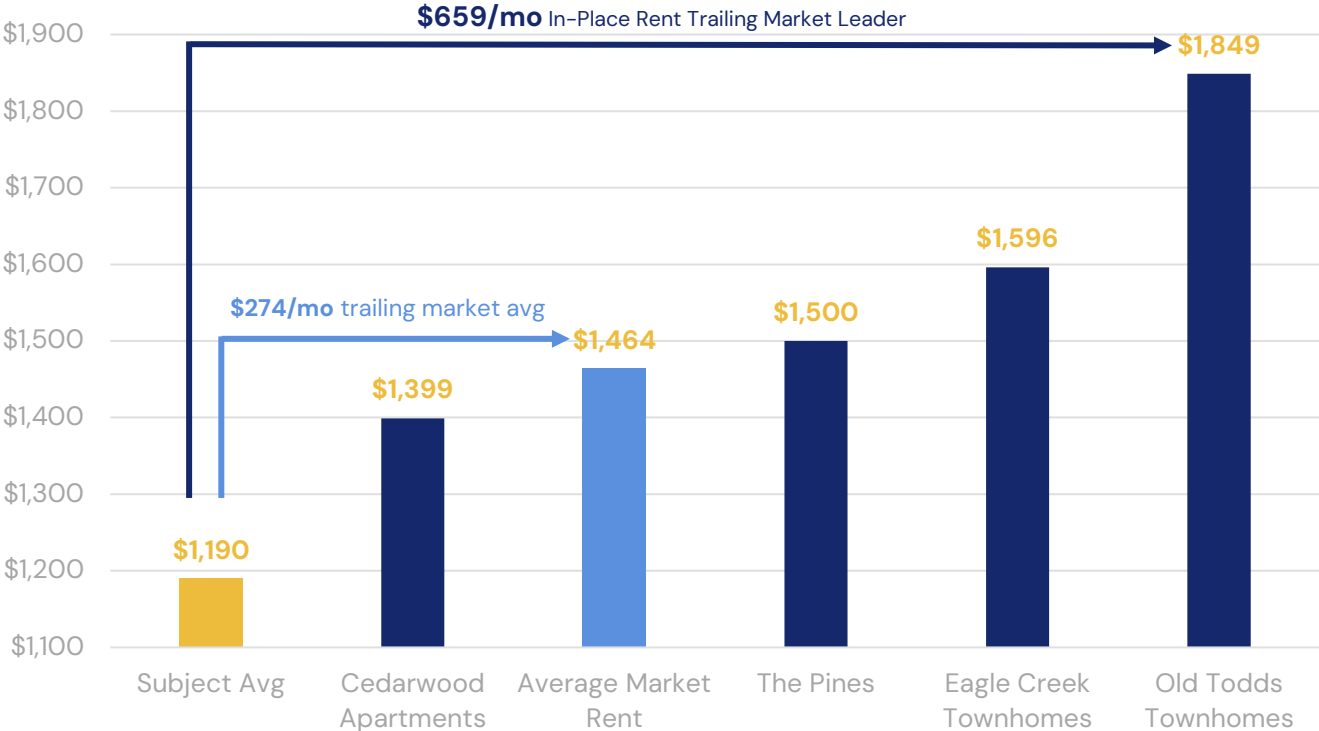


**7.49%**

Year 1 Cash on Cash

# Market Proven Rents

## 3 Bedroom Market Rent



On average, the 3 Bedroom Units in this submarket **are renting \$282/mo higher than the subject property** providing an opportunity for an investor to take advantage of the large affordability gap between A Class and B Class product. We estimate that bringing the units up to market rent, an incoming investor can draft the top of the market rents yet still provide an affordable opportunity. Estimated rents at \$1,300 would be well below the \$1,849 top of the comparable market rent and still provide a solid value-add opportunity for an investor with an increase of \$110 from the subject average effective rent.

# Property Information

<b>Property Name</b>	Covington Place
<b>Property Address</b>	2400 Woodhill Drive
<b>City, State, Zip</b>	Lexington, KY 40509
<b>Submarket</b>	Southeast Fayette County
<b>County</b>	Fayette County
<b>Year Built</b>	1971
<b>Property Type</b>	Market
<b>Current Ownership</b>	A Plus Prime Time
<b>Current Management</b>	Self-Managed
<b>Number Of Units</b>	32
<b>Avg Unit Size</b>	1,000
<b>Rentable SF</b>	±17,967 SF
<b>Number of Parcels</b>	1
<b>Lot Size</b>	±1.747 AC

<b># of Buildings</b>	8
<b># of Stories</b>	2
<b>Current Occupancy</b>	94%
<b>Parking Type</b>	Asphalt
<b>Parking Surface</b>	Lot
<b>Parking Ratio</b>	1.56

## Amenities

-  Courtyard
-  Private Balcony
-  Washer/Dryer Hookups
-  Fully Renovated





Washer / Dryer In Units

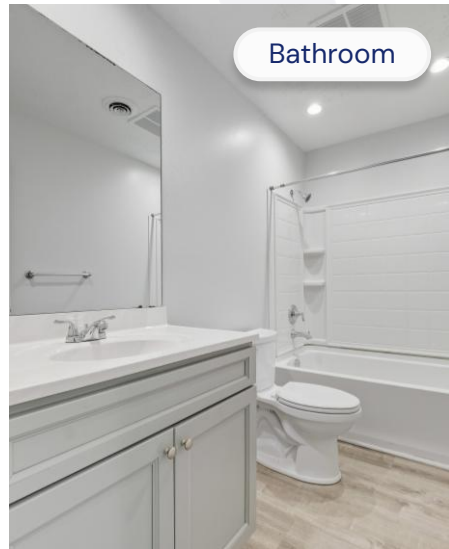


Construction:	
Foundation	Basement, Slab
Framing	Wood
Roofs	Pitched
Exterior of Building	Brick
Windows	Double Pane

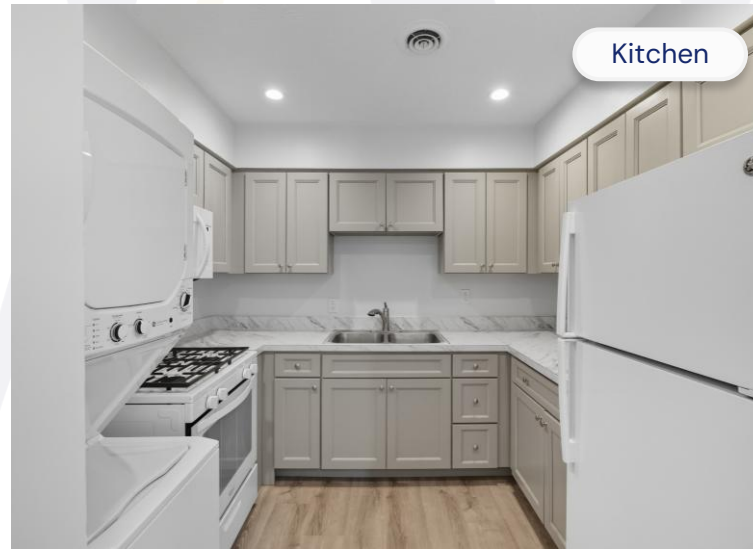
Utilities	Responsibility
Electric	Tenant
Gas	Tenant
Water	Tenant
Sewer	Tenant
Trash	Owner



# Property Photos



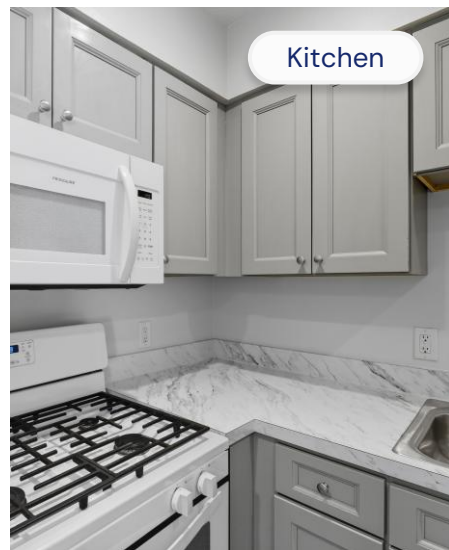
Bathroom



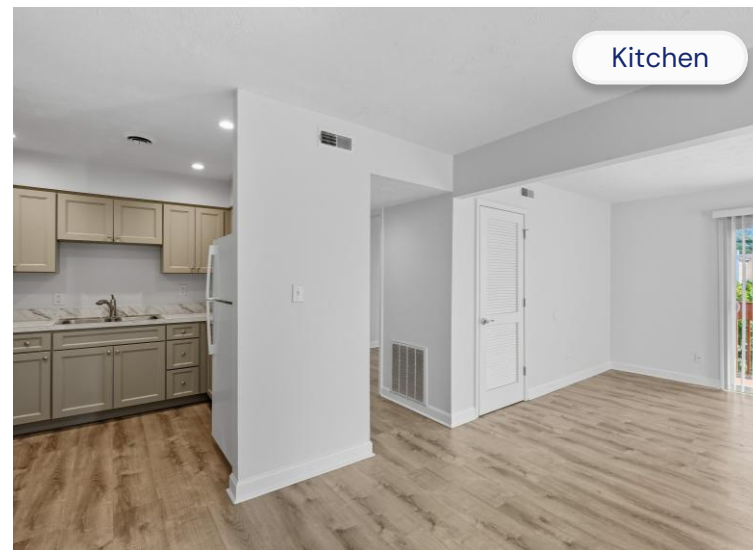
Kitchen



Kitchen



Kitchen

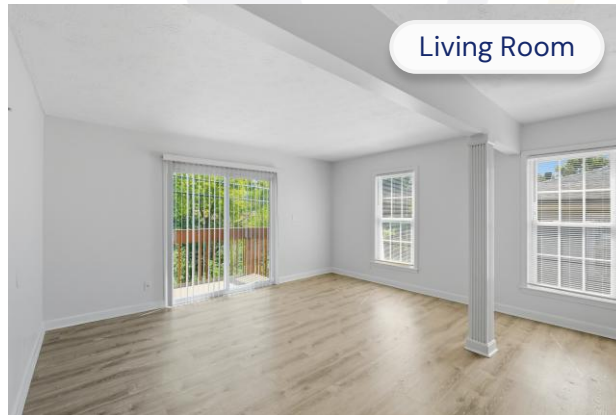


Kitchen

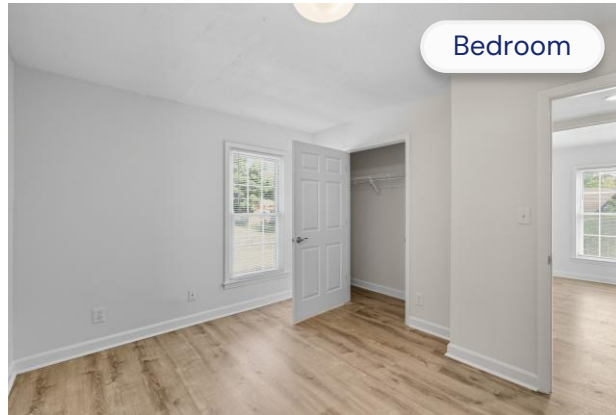
# Interior Photos



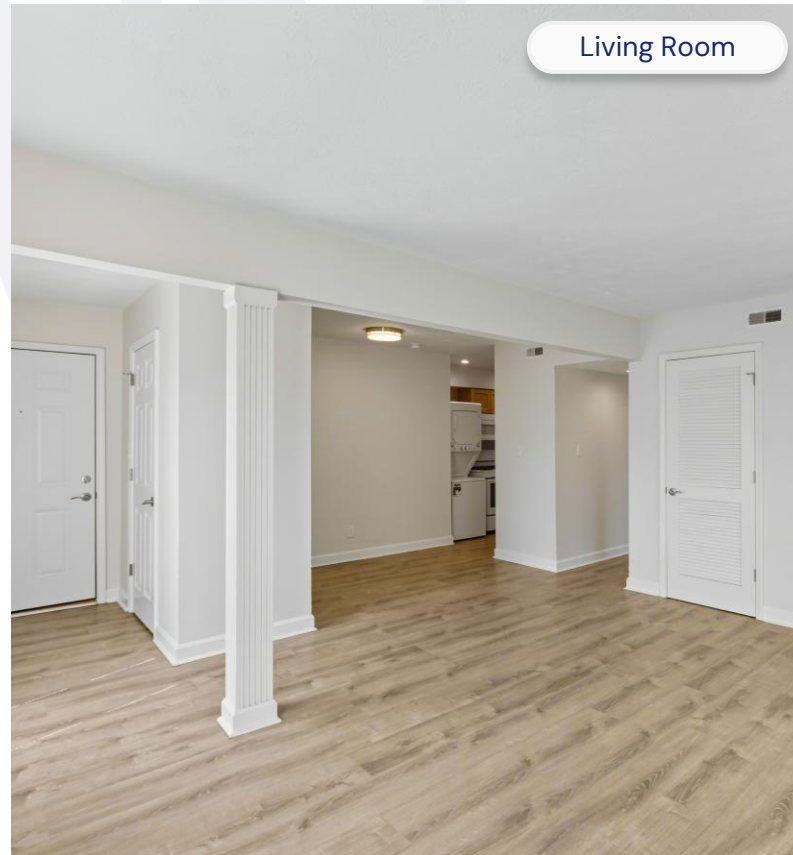
Hallway



Living Room



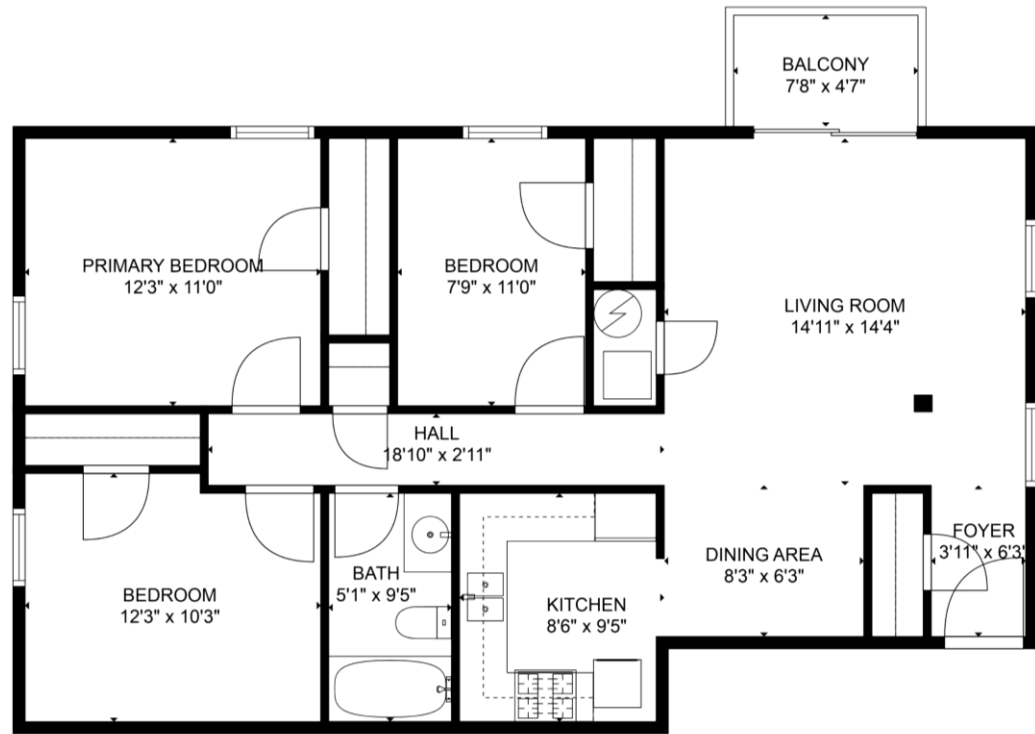
Bedroom



Living Room



Living Room



Property Overview

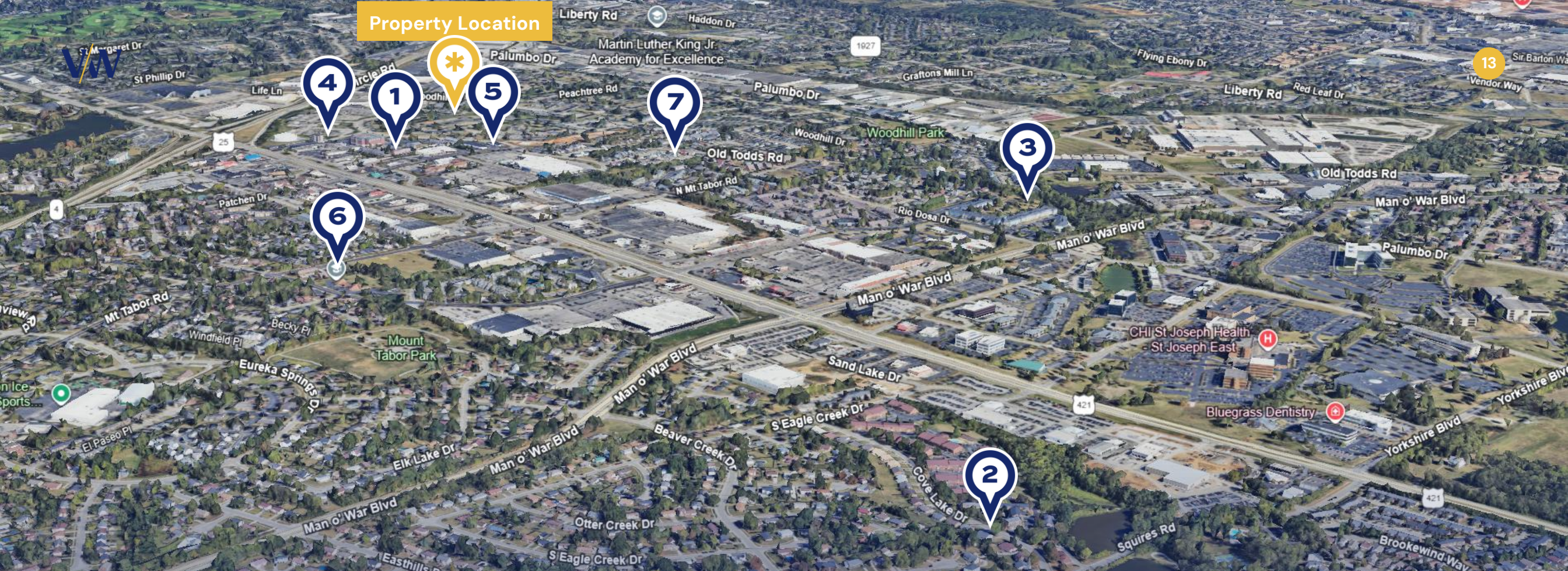
**Local Competitors**

Financial Analysis



# Local Competitors

Property Location



#	Name	Address	Year Built	#	3 Bed Rent	3 Bed Sf	3 Bed RPSF
1	Old Todds Townhomes	209 Old Todds Rd	2005	25 units	\$ 1,849	1,600 sf	\$ 1.16
2	Eagle Creek Townhomes	3353-3375 Cove Lake Dr	1997	9 units	\$ 1,596	1,500 sf	\$ 1.06
3	The Champion at Bluegrass	300 Quinton Ct	1970	78 units	\$ 1,507	1,104 sf	\$ 1.37
4	252 Simba Way	252 Simba Way	2001	1 units	\$ 1,500	1,290 sf	\$ 1.16
5	The Pines	300-389 Pinewood Ct	1996	47 units	\$ 1,500	1,405 sf	\$ 1.07
6	Cedarwood Apartments	180 Codell Dr	1983	1 units	\$ 1,399	1,400 sf	\$ 1.00
S	<b>Subject Projected Rent</b>	<b>Covington Place</b>	<b>1971</b>	<b>32 units</b>	<b>\$ 1,300</b>	<b>1,000 sf</b>	<b>\$ 1.25</b>
S	<b>Subject Average Effective</b>	<b>Covington Place</b>	<b>1971</b>	<b>32 units</b>	<b>\$ 1,182</b>	<b>1,000 sf</b>	<b>\$ 1.18</b>
7	Tabor Ridge Townehomes	401 Patchen Dr	1993	8 units	\$ 898	1,392 sf	\$ 0.65

Local Competitors

THREE BEDROOM | Sorted By 3 Bed Rent

# Subject Property



## Covington Place

2400 Woodhill Drive, Lexington, KY 40509

Unit Type	# Units	Unit SF	Rent	Rent/SF
2 Bed	1	900	\$950	\$1.06
3 Bed	31	1,000	\$1,190	\$1.19

### YEAR BUILT

▶ 1971

### UNITS

▶ 32

### AMENITIES

- ▶ Fully Renovated Courtyard
- Private Balconies
- Washer/Dryer Hookups

# Comparable Property



## The Champion at Bluegrass

300 Quinton Ct, Lexington, KY 40509

Unit Type	# Units	Unit SF	Rent	Rent/SF
1 Bed	38	717	\$9991	\$1.39
2 Bed	184	891	\$1,193	\$1.34
3 Bed	78	1,180	\$1,507	\$1.37

### YEAR BUILT

▶ 1970/2014

### UNITS

▶ 300

### UNIT FEATURES

- ▶ Bicycle Storage
- Maintenance on site
- Business Center
- Pet Play Area
- Cabana
- Playground
- Clubhouse
- Pool
- Controlled Access
- Property Manager on Site
- Fitness Center
- Sundeck
- Gated
- Wi-Fi
- Grill

# Comparable Properties



## 252 Simba Way

252 Simba Way

Unit Type	# Units	Unit SF	Rent	Rent/SF
3 Bed	1	1,290	\$1,500	\$1.16

### YEAR BUILT

▶ 2001

### UNITS

▶ Townhome

### UNIT FEATURES

- ▶ Washer/Dryer Hookup
- Flooring: Hardwood
- Off Stret Parking
- Central Air
- Pets Welcome



## Cedarwood Apartments

180 Codell Drive, Lexington, KY 40509

Unit Type	# Units	Unit SF	Rent	Rent/SF
Studio	17	518	\$751	\$1.45
1 Bed	103	576	\$900	\$1.56
2 Bed	26	864	\$1,137	\$1.32
3 Bed	1	1,152	\$1,399	\$1.00

### YEAR BUILT

▶ 1983

### UNITS

▶ 147

### UNIT FEATURES

- ▶ Private patios,
- Updated kitchens and bathrooms
- In-unit washer and dryer hookups
- Ample storage
- Locally managed and maintenance on-site
- 24/7 emergency AND non emergency line
- 24/7 Resident Assistance line

Property Overview

Local Competitors

**Financial Analysis**



# Financial Analysis

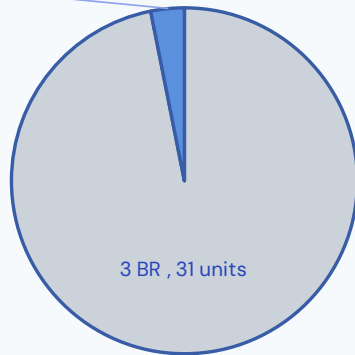
## Rent Roll Detail

### MONTHLY RENT

Unit Description		Unit Details				Avg Eff Rent		Market Rent		Projected Rent	
Floor Plan	#BR	Unit sf	%	# Units	# Vacant	per unit	psf	per unit	psf	per unit	psf
3 Bed / 1 Bath	3 BR	1,000 sf	97%	31 units	2 units	\$ 1,190	\$ 1.19	\$ 1,250	\$ 1.25	\$ 1,300	\$ 1.30
2 Bed / 1 Bath	2 BR	900 sf	3%	1 units	-	\$ 950	\$ 1.06	\$ 950	\$ 1.06	\$ 995	\$ 1.11
<b>Total</b>		<b>31,900 sf</b>		<b>32 units</b>	<b>2 units</b>	<b>\$ 37,840</b>		<b>\$ 39,700</b>		<b>\$ 41,295</b>	
Weighted Average		997 sf				\$ 1,183	\$ 1.19	\$ 1,241	\$ 1.24	\$ 1,290	\$ 1.29

### Bedrooms

2 BR , 1 units



3 BR , 31 units

### Monthly Rent Potential



Pro Forma INCOME	TRAILING Adjusted Trailing			YEAR 1 Renovate Units, Raise Rents			YEAR 2 Stabilize			YEAR 3			
	Total \$	Note	% EGI	\$/Unit	\$	% EGI	\$/Unit	\$	% EGI	\$/Unit		% EGI	\$/Unit
<b>Gross Income</b>													
<b>All Units Market Rent (GPR)</b>	476,400	RR		-	495,540		15,486	510,406		15,950	525,718		16,429
Gain (Loss) to Lease	(22,320)		5.47%	(698)	(9,911)	2.00%	(310)	(10,208)	2.00%	(319)	(10,514)	2.00%	(329)
<b>Rent Received (GSR)</b>	450,350	T3		14,073	485,629		15,176	500,198		15,631	515,204		16,100
<b>Other Income</b>			% GSR			% GSR			% GSR			% GSR	
Pet Rent & Fees	6,200	T3	1.38%	194	6,386	1.31%	200	6,578	1.31%	206	6,709	1.38%	210
Other Income	4,080	T3	0.91%	128	9,713	2.00%	304	10,004	2.00%	313	10,204	2.10%	319
Late Fees	3,200	T3	0.71%	100	3,296	0.68%	103	3,395	0.68%	106	3,463	0.71%	108
Utility Income / Reimbursement	-	T3	0.00%	-	5,037	1.04%	157	5,188	1.04%	162	5,291	1.09%	165
<b>Gross Potential Income</b>	<b>489,880</b>			<b>15,309</b>	<b>519,971</b>		<b>16,249</b>	<b>525,362</b>		<b>16,418</b>	<b>551,386</b>		<b>17,231</b>
<b>Economic Loss</b>			% GPR			% GPR			% GPR			% GPR	
Vacancy Loss	(26,050)	Economic	5.47%	(814)	(29,732)	6.00%	(929)	(30,012)	6.00%	(938)	(30,912)	6.00%	(966)
Loss to Lease	(22,320)		4.69%	(698)	(9,911)	2.00%	(310)	(10,208)	2.00%	(319)	(10,514)	2.00%	(329)
Bad Debt	-		0.00%	-	(4,955)	1.00%	(155)	(5,002)	1.00%	(156)	(5,152)	1.00%	(161)
<b>Total Economic Loss</b>	<b>(48,370)</b>		<b>10.15%</b>	<b>-</b>	<b>(44,599)</b>	<b>9.00%</b>	<b>(1,394)</b>	<b>(50,224)</b>	<b>10.00%</b>	<b>(1,569)</b>	<b>(51,731)</b>	<b>10.00%</b>	<b>(1,617)</b>
<b>EFFECTIVE GROSS INCOME</b>	<b>463,830</b>			<b>14,495</b>	<b>475,373</b>		<b>14,855</b>	<b>475,138</b>		<b>4,399</b>	<b>499,655</b>		<b>4,626</b>

EXPENSE	TRAILING			YEAR 1			YEAR 2			YEAR 3			
	Note	% EGI	\$/Unit	\$	% EGI	\$/Unit	\$	% EGI	\$/Unit	% EGI	\$/Unit		
<b>Fixed Expenses</b>													
<b>Real Estate Taxes Total</b>	41,039	Auditor	8.85%	1,282	49,325	8.63%	1,282	49,325	8.64%	1,282	50,312	8.38%	1,308
Adjustment for Sale	-		0.00%	-	8,287	1.74%	259	8,287	1.74%	259	8,452	1.69%	264
<b>Total Real Estate Taxes</b>	41,039		8.85%	1,282	49,325	10.38%	1,541	49,325	10.38%	1,541	50,312	10.07%	1,572
<b>Insurance <sup>1</sup></b>	24,000	Note	5.17%	750	24,480	5.15%	765	24,970	5.26%	780	25,469	5.10%	796
<b>Utilities</b>													
Electric	5,809	T12	1.25%	182	5,925	1.25%	185	6,044	1.27%	189	6,165	1.23%	193
Trash	3,427	T12	0.74%	107	3,496	0.74%	109	3,565	0.75%	111	3,637	0.73%	114
Gas	2,834	T12	0.61%	89	2,890	0.61%	90	2,948	0.62%	92	3,007	0.60%	94
Internet Phone	1,699	T12	0.37%	53	1,699	0.36%	53	1,733	0.36%	54	1,768	0.35%	55
Water Sewer	1,541	T12	0.33%	48	1,572	0.33%	49	1,603	0.34%	50	1,636	0.33%	51
<b>Total Utilities</b>	15,310		3.30%	478	15,582	3.28%	487	15,894	3.35%	497	16,212	3.24%	507
<b>Total Fixed Expense</b>	<b>80,349</b>		<b>17.32%</b>	<b>2,511</b>	<b>89,388</b>	<b>18.80%</b>	<b>2,793</b>	<b>90,189</b>	<b>18.98%</b>	<b>2,818</b>	<b>91,993</b>	<b>18.41%</b>	<b>2,875</b>
<b>Variable Expense</b>			% EGI	\$/Unit		% EGI	\$/Unit		% EGI	\$/Unit		% EGI	\$/Unit
<b>Landscaping <sup>2</sup></b>	9,865	T12	2.13%	308	10,063	2.12%	314	10,264	2.16%	321	10,469	2.10%	327
<b>Pest <sup>3</sup></b>	2,153	T12	0.46%	67	2,196	0.46%	69	2,240	0.47%	70	2,285	0.46%	71
<b>Repairs and Maintenance</b>	32,995	T12	7.11%	1,031	33,654	7.08%	1,052	34,328	7.22%	1,073	35,014	7.01%	1,094
<b>Marketing and Promotion</b>	850	T12	0.18%	27	867	0.18%	27	884	0.19%	28	902	0.18%	28
<b>General and Administrative</b>	4,731	T12	1.02%	148	4,826	1.02%	151	4,922	1.04%	154	5,021	1.00%	157
<b>Management</b>	25,254	T12	5.44%	789	28,522	6.00%	891	28,508	6.00%	891	29,979	6.00%	937
<b>Replacements and Reserves</b>	8,160	Added	1.76%	255	8,323	1.75%	260	8,490	1.79%	265	8,659	1.73%	271
<b>Total Variable Expense</b>	<b>84,008</b>		<b>18.11%</b>	<b>2,625</b>	<b>88,451</b>	<b>18.61%</b>	<b>2,764</b>	<b>89,636</b>	<b>18.87%</b>	<b>2,801</b>	<b>92,330</b>	<b>18.48%</b>	<b>2,885</b>
<b>TOTAL EXPENSES</b>	<b>164,356</b>		<b>35.43%</b>	<b>5,136</b>	<b>177,839</b>	<b>37.41%</b>	<b>5,557</b>	<b>179,825</b>	<b>37.85%</b>	<b>5,620</b>	<b>184,322</b>	<b>36.89%</b>	<b>5,760</b>
<b>NET OPERATING INCOME</b>	<b>299,474</b>		<b>64.57%</b>	<b>9,359</b>	<b>297,534</b>	<b>62.59%</b>	<b>9,298</b>	<b>295,313</b>	<b>62.15%</b>	<b>9,229</b>	<b>315,333</b>	<b>63.11%</b>	<b>9,854</b>

## 10-Year Cash Flow Analysis

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
<b>INCOME</b>	<b>Current</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
Gross Potential Rent	476,400	495,540	510,406	525,718	541,490	557,735	574,467	591,701	609,452	627,735	646,567
Total Other Income	13,480	24,431	25,164	25,667	26,181	26,704	27,238	27,783	28,339	28,906	29,484
Gross Potential Income	489,880	519,971	525,362	551,386	567,671	584,439	601,705	619,484	637,791	656,641	676,051
Economic Loss											
Total Economic Loss	(48,370)	(44,599)	(50,224)	(51,731)	(54,149)	(55,773)	(57,447)	(59,170)	(60,945)	(62,774)	(64,657)
<b>EFFECTIVE GROSS INCOME</b>	<b>463,830</b>	<b>475,373</b>	<b>475,138</b>	<b>499,655</b>	<b>513,522</b>	<b>528,666</b>	<b>544,259</b>	<b>560,314</b>	<b>576,845</b>	<b>593,867</b>	<b>611,394</b>
<b>EXPENSES</b>	<b>Current</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
Real Estate Taxes	41,039	49,325	49,325	50,312	51,318	52,344	53,391	54,459	55,548	56,659	57,793
Insurance <sup>1</sup>	24,000	24,480	24,970	25,469	25,978	26,498	27,028	27,568	28,120	28,682	29,256
Utilities	15,310	15,582	15,894	16,212	16,536	16,867	17,204	17,548	17,899	18,257	18,622
Contract Services	12,018	12,259	12,504	12,754	13,009	13,269	13,535	13,805	14,082	14,363	14,650
Repairs and Maintenance	32,995	33,654	34,328	35,014	35,714	36,429	37,157	37,900	38,658	39,432	40,220
Marketing and Promotion	850	867	884	902	920	938	957	976	996	1,016	1,036
General and Administrative Management	4,731	4,826	4,922	5,021	5,121	5,223	5,328	5,434	5,543	5,654	5,767
Replacements and Reserves	8,160	8,323	8,490	8,659	8,659	8,659	8,659	8,659	8,659	8,659	8,659
<b>TOTAL EXPENSES</b>	<b>164,356</b>	<b>177,839</b>	<b>179,825</b>	<b>184,322</b>	<b>179,408</b>	<b>183,289</b>	<b>187,256</b>	<b>191,311</b>	<b>195,457</b>	<b>199,695</b>	<b>204,028</b>
<b>NET OPERATING INCOME</b>	<b>299,474</b>	<b>297,534</b>	<b>295,313</b>	<b>315,333</b>	<b>334,113</b>	<b>345,377</b>	<b>357,003</b>	<b>369,003</b>	<b>381,388</b>	<b>394,172</b>	<b>407,366</b>
<b>DEBT SERVICE</b>	<b>Current</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
<b>Loan 1: Proposed</b>											
Principal Payments	39,296	41,720	44,293	47,025	49,926	53,005	56,274	59,745	63,430	67,342	71,496
Interest Payments	190,931	188,507	185,934	183,202	180,302	177,222	173,953	170,482	166,797	162,885	158,732
<b>CONSOLIDATED DEBT SERVICE</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>	<b>230,227</b>
<b>CASH FLOW</b>	<b>69,246</b>	<b>67,306</b>	<b>65,086</b>	<b>85,106</b>	<b>103,886</b>	<b>115,149</b>	<b>126,775</b>	<b>138,775</b>	<b>151,161</b>	<b>163,945</b>	<b>177,139</b>
DSCR (Amortized)	1.30	1.29	1.28	1.37	1.45	1.50	1.55	1.60	1.66	1.71	1.77
DSCR	1.30	1.29	1.28	1.37	1.45	1.50	1.55	1.60	1.66	1.71	1.77

Covington Place Apartments



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